



United States Department of Agriculture
Farm and Foreign Agricultural Services
Risk Management Agency

March 12, 2002

BULLETIN NO.: MGR-02-004

TO: All Reinsured Companies
All Risk Management Agency Field Offices

FROM: R.J. Davidson, Jr. /s/ R.J. Davidson, Jr.
Administrator

SUBJECT: Policy and Premium Information for the 2002 AGR Cost-Share Program

BACKGROUND:

In accordance with section 133(b) of the Agricultural Risk Protection Act of 2000, the Risk Management Agency (RMA) offered a cost-share program for Adjusted Gross Revenue (AGR) insurance for the 2001 and 2002 crop years in eleven targeted northeastern states. For both programs, RMA announced that it would pay 50 percent of a producer's AGR premium cost and the entire administrative fee for all eligible policies. The 2002 program was outlined in MGR-01-026, which was released October 17, 2001.

RMA has earmarked \$2 million for the 2002 AGR Cost-Share Program. As with the 2001 program, RMA must assure that the 2002 program operates within its authorized limit. Thus, RMA will closely monitor AGR sales in the eleven states targeted for the program.

As with the 2001 program, Section 133(b)(2) provides that the total amount of Agricultural Management Assistance (AMA) payments made to a person (as defined in section 1001(5) of the Food Security Act (7 U.S.C. 1308(5))) may not exceed \$50,000 in any year. Consequently, amounts paid by RMA for AGR premium cost-share assistance will be reported to other USDA agencies participating in the AMA program so that this limitation may be applied prior to the issuance of cost-share payments by those agencies.



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The Risk Management Agency Administers and Oversees
All Programs Authorized Under the Federal Crop Insurance Corporation

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ACTION:

In order to be able to accurately and timely determine total expenditures for the AGR Cost-Share Program, RMA reminds all reinsured companies to submit all information specified in Manual 13 by the April accounting cut-off date (April 13, 2002) for all AGR policies sold in the following States and counties:

<u>State</u>	<u>County</u>
Connecticut	All Counties
Delaware	All Counties
Maine	All Counties
Maryland	Anne Arundel, Baltimore, Baltimore City, Calvert, Caroline, Carroll, Cecil, Charles, Dorchester, Frederick, Harford, Howard, Kent, Montgomery, Prince George's, Queen Anne's, St. Mary's, Somerset, Talbot, Wicomico, and Worcester
Massachusetts	All Counties
New Hampshire	All Counties
New Jersey	All Counties
New York	Cayuga, Chautauqua, Erie, Genesee, Monroe, Niagara, Onondaga, Ontario, Orange, Orleans, Oswego, Seneca, Suffolk, Ulster, Wayne, Yates
Pennsylvania	Berks, Carbon, Lackawanna, Lehigh, Monroe, Northampton
Rhode Island	All Counties
Vermont	All Counties

In addition, by April 26, 2002, all reinsured companies must submit to RMA a list of all AGR policies in the targeted states and counties for which record type 19 information was not accepted by the Data Acceptance System (DAS) by the April accounting cut-off date. This list must contain the policy number and amount of "additional subsidy" (field 58 from record type 19) for each such policy.

Please submit this information electronically in Microsoft Excel format to Lee Z. Ziegler, Risk Management Education Specialist, at *Lee.Ziegler@wdc.usda.gov*. Alternatively, a hard copy may be faxed to (202) 690-3605. Please contact Lee Ziegler at (202) 690-0520 if you have any questions pertaining to this requirement.

DISPOSAL DATE:

This bulletin is effective until December 31, 2002.